

JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
23 Christopher Way
Eatontown, NJ 07724
2. Description of Action: The proposed action is for the issuance of a Firm-Fixed Price Delivery Order under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) IV Government-Wide Acquisition Contract (GWAC) for the procurement of Oracle Sun Microsystems brand name hardware, software, and five-year warranties for the Department of Veterans Affairs (VA), Office of Information and Technology (OIT).
3. Description of the Supplies or Services: The proposed action is for the acquisition of Oracle Sun Microsystems brand name servers, software, rack, and five-year warranties which will be used to augment the current Virtual VA (VVA) server infrastructure at VA OIT. The required hardware and software will be utilized to provide the Veterans Benefits Management System (VBMS) direct access to the records in the VVA system. The required hardware consists of four brand name Oracle Sun Microsystems Scalable Processor Architecture (SPARC) servers and one Sun Rack II rack. Each Oracle Sun Microsystems SPARC server shall include the following configuration requirements: two SPARC 16-Core 3.6 GHz processors, 256GB of DDR3-1066 DIMM RAM, 2.4 TB of storage space of 10K rpm 2.5-inch SAS-2 Hard Drives, one Quad Port Gbe PCIe network adapter, one Dual 10Gbe SFP+PCIe network adapter, two HBA dual port Fiber channel PCIe network adapters, two Dual Rate SFP+SR network adapters, and Oracle Solaris software. The proposed action also includes a five-year warranty with data retention on the hard drive units. The total estimated value of the proposed action is [REDACTED]
4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c)(2) as implemented by the Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2)(i)(B), entitled "Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized."
5. Rationale Supporting Use of Authority Cited Above: This is a brand name justification in support of FAR 11.105, Items Peculiar to One Manufacturer. In 1998, the Veterans Benefits Administration (VBA) launched an effort to develop a means of electronically capturing and retrieving information used to process a Veteran's claims for benefits. That effort became the VVA system that currently resides in a production environment, supporting Compensation Service and Pension & Fiduciary Service claims processing. The VVA system is a combination of commercial off-the-shelf products and custom developed software. It provides the ability to scan documents into an electronic repository and access for claims processing. VVA also provides a Batch File Import (BFI) capability that allows existing images to be imported into the repository from external systems. The web-enabled VVA system is accessible from multiple locations

and to a variety of VBA authorized users. Approximately 24,000 VA end-users rely on the VVA system to support their production business claims process and other programs/organizations including VBMS, Pension Management Center, Veterans Service Representatives, Benefits Delivery at Discharge, Disability Evaluation System, Regional Offices, Veteran Service Organizations, Veterans Health Administration, Vocational Rehabilitation, Loan Guarantee, and Defense Finance and Accounting Service depend on the VVA application. VA leadership has mandated that a communication system be created between VVA and VBMS. The VAA's infrastructure is currently based upon Oracle Sun Microsystems hardware and Oracle Solaris operating system (OS) software. Due to compatibility requirements with the existing the Oracle Sun Microsystems infrastructure, there is no other hardware that is able to integrate with the currently fielded hardware, software, and VVA system. Additionally, no other OS software is interoperable or compatible with the currently fielded VVA system and Oracle Solaris OS software. Specifically, the current system and software communicates through a source code comprised of approximately one million lines of custom code composed of Active Server Pages (ASP), web services, Oracle, Visual Basic, C, C++, HTML, XML, COM, DCOM and Dynamic-link library modifications. There is no other hardware or OS software that can provide this communication capability without this source code. Additionally, no other products can perform the upstream forwarding of localized data into the existing VVA architecture, which is critical in allowing Compensation and Pension (C&P) claims adjusters to continue to utilize VVA to award C&P claims for Veterans.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. This effort did not yield any sources that can meet the Government's requirements for Oracle Sun Microsystems hardware and software. However, it was determined that limited competition is viable among resellers for the Oracle Sun Microsystems hardware and software. In accordance with FAR 5.301 and 16.505(b)(2)(D)(2)(i), this action will be synopsized at time of award on the Federal Business Opportunities Page (FBO) and the justification will be made publicly available. Additionally, this Justification for an Exception to Fair Opportunity will be submitted to the NASA SEWP website in accordance with FAR Subpart 16.505(a)(4)(iii)(A)(1).

7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are changes in the market place that would enable future actions to be fully competed.

8. Market Research: The Government's technical experts conducted market research by reviewing the technical specifications of other similar hardware and OS software. This market research is an ongoing process that started in 2010 and is continuously being conducted, with research conducted as recently as February 2014. Based on the market research conducted, the Government's technical experts determined that no other products can meet the Government's interoperability and compatibility requirements previously discussed. Additionally, VVA Subject Matter Experts regularly review industry trade publications and conduct internet research to ascertain if any other hardware and OS software is available in the marketplace that can meet the

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Government's requirements. Based on all of these market research efforts, the Government's technical experts have determined that only Oracle Sun Microsystems' brand name hardware and Oracle Solaris OS brand software can meet all of VA's technical requirements. Market research was also conducted through the issuance of a Request for Information on the NASA SEWP web site. There were four responses received which included one within Group B (Service Disabled Veteran-owned Small Businesses (SDVOSBs) Value Added Resellers (VARs)) and three within Group C (Small Business VARs).

9. Other Facts: None

10. Technical and Requirements Certification: I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.

Matthew Speirs

Date: 28FEB2014

Title: IT Project Manager (System Analysis) Signature: _____



Digitally signed by Speirs, Matthew
DN: dc=gov, dc=va, ou=Entities,
ou=InternalStaff, cn=Speirs,
Matthew
Date: 2014.03.04 10:23:39 -05'00'

11. Fair and Reasonable Cost Determination: I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable based on NASA SEWP IV contract pricing that has already been determined to be fair and reasonable. In addition, price competition is expected amongst the NASA SEWP IV contract holders which will further establish fair and reasonable pricing. Finally, the successful quotation will be compared to the Independent Government Cost Estimate.

Robert P. Kirzow

Date: 3/6/2014

Procuring Contracting Officer

Signature: Robert Kirzow

12. Procuring Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief. As this contract action does not exceed \$650,000, the certification below required by FAR 16.505(b)(2)(ii)(C)(1) serves as approval.

Robert P. Kirzow

Date: 3/6/2014

Procuring Contracting Officer

Signature: Robert Kirzow